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# Before the RECEIVED FEDERAL COMMUNICATIONS COMMISSION JAN 27 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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In the Matter of

Implementation of the Cable Television Consumer Protection and Competition Act of 1992

Rate Regulation

JAN 2 7 1993

MM Docket No. 92 - 266/

FCC MAIL BOOM

**TO:** The Commission

#### REPLY COMMENTS OF

The Metropolitan Area Communications Commission, on behalf of Washington County, Oregon, and the cities of, Banks, Beaverton, Cornelius, Durham, Forest Grove, Gaston, Hillsboro, King City, Lake Oswego, North Plains, Rivergrove, Sherwood, Tigard, Tualatin, and Wilsonville.

The Metropolitan Area Communications Commission, on behalf of its member jurisdictions, submits these comments in the above captioned proceeding.

### I. INTRODUCTION

The Metropolitan Area Communications Commission (hereinafter, MACC) is an intergovernmental agency, established under Oregon State Statutes, which regulates and administers cable television franchise agreements for its member jurisdictions in a metropolitan area adjacent to the City of Portland, Oregon. MACC was formed in 1980, and in 1982 granted a single cable franchise to serve all its member jurisdictions. No. of Copies rec'd

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The current cable operator is Columbia Cable of Oregon, Inc. (hereinafter, Columbia), with 71,000 subscribers representing a homes passed penetration of 67%.

### II. STATEMENT OF CONCURRENCE

In this proceeding, MACC has reviewed the comments filed with the Federal Communications Commission (hereinafter, Commission) by the National Association of Telecommunications Officers and Advisors, National League of Cities, United States Conference of Mayors, and the National Association of Counties (hereinafter, Local Governments). We feel the comments filed with the Commission by Local Governments accurately reflect MACC's position on the implementation of the Cable Television Consumer Protection and Competition Act of 1992 (hereinafter, 1992 Cable Act, or Act), in rate regulation. Therefore, MACC wholeheartedly concurs with the comments filed by Local Governments, and respectfully requests that the Commission strongly consider these comments during deliberations of this matter.

### III. ADDITIONAL COMMENTS ON SPECIFIC PROVISIONS

#### FCC Certification of Franchising Authorities

MACC strongly believes that the process devised by the Commission to certify local franchising authorities to regulate rates should be simple and not burdensome. We suggest that some "postcard-like" form be used, which franchising authorities can easily complete and return for Commission consideration. This process would allow most franchising authorities to quickly receive certification, and would significantly reduce potential burdensome paperwork and filings.

### Cable Regulatory Commissions and Consortia Representing Multiple Franchising Authorities Should be Allowed to Apply for Certification on Behalf of its Members

As mentioned above, MACC has represented 15 cities and an urban county in cable franchising matters since 1980. Many other cable regulatory commissions and consortia perform similar functions for multiple franchising authorities (hereinafter, jurisdictions) throughout the United States. The Commission rules developed to certify franchising authorities should provide for multi-jurisdictional cable regulatory commissions and consortia to receive such certification and regulate cable rates on behalf of their member jurisdictions. This will speed the certification process, be less burdensome on jurisdictions and franchising authorities, and would clearly recognize that cable regulatory commissions and consortia represent multiple jurisdictions.

## The Actual Rate Regulation Process Developed by the Commission Should be Straightforward and Reasonably Easy to Implement

To allow for the widest possible participation by franchising authorities, including small and large jurisdictions, the Commission should develop rate regulation processes that are straightforward and reasonably easy to implement. Consequently, we strongly urge the Commission to adopt the guidelines proposed by Local Governments, which we feel fulfill our above mentioned concern regarding this process.

### The Commission Should Regulate Cable Rates Where a Franchising Authority has not Received Certification, or When Such Certification Has Been Revoked

In all cases where the local franchising authority is not certified to regulate rates, or where such certification has been revoked, the Commission should regulate rates for subscribers served by that franchising authority. This will ensure that all cable subscribers in

areas where rate regulation is possible, will have the benefit of protection from unreasonable rates for service. Congressional intent was clearly to protect consumers; the Commission should strive to implement that goal as fully as possible.

### The Commission Should Establish Preferential Leased Access Channel Rates for Not-for-profit Programmers.

MACC urges the Commission to establish preferential rates for nonprofit and educational programmers of leased access channels in order to encourage a diversity of locally-produced cultural, informational, and educational programming. With passage of the 1984 Cable Act, Congress mandated leased access channels with the goal of ensuring a diversity of information sources for the public. However, rates established by cable operators for leased access channels have been unaffordable for many not-for-profit and educational programmers.

The establishment of preferential rates for not-for-profit programmers by the Commission at this time would be an important step toward achieving the goal of diversity, particularly in light of the expanded channel capacity available through fiber optics, compression, and other new technologies. In addition, the rates established for nonprofit uses of leased access channels should be subject to Commission review in order to ensure reasonableness.

#### IV. CONCLUSION

As a local government cable regulatory agency, MACC believes that the approach proposed by Local Governments in their comments filed with the Commission will ensure fair and reasonable service rates to cable subscribers under our jurisdiction, as well as

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throughout the country. MACC believes that Local Government's approach to this matter will not unduly burden cable operators or local franchising authorities. MACC also requests that our specific comments contained in Section III of these Comments be considered as well by the Commission in their deliberations on this matter.

Thank you for considering our concerns.

Respectfully submitted,

Bruce Crest
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ABC:lmm

cc: MACC Commissioners

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